

INFORMATION REPORT

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SUBJECT Purchases and Allocations made by Soviet Oil Administration (SMV)

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Reorganization and Disposition of SMV Enterprises

1. In addition to Matzen, Muehlberg, DEA I, and the western part of DEA II, it seems likely that the Soviets will also retain control of the Kledering, Nova, and Wifo-Lobau refineries.* The SMV will probably return to the Austrian economy the Vacuum Oil Company, Richard K. Van Sickle, Shell refinery in Floridsdorf, Bohrbetrieb Maustrenk at Muehlberg, and the Moosbierbaum, Korneuberg, "Okeros" and Voessendorf refineries.** SMV Central Administration will remain at the Vienna I offices on Kantgasse, but the various departments of SMV enterprises are to be combined in a central office on Seilerstätte in Vienna I.*** The SMV Purchasing Office, Vienna I, Schottengasse, will be dissolved in the near future.****

SMV Purchases

2. Recently, the SMV purchased ball bearings from REA, a firm in Upper Austria which sells ball bearings of German or Italian origin for about one-half the current market price.***** The SMV has placed a large order for piping with the Boehler Gebr. & Co. A.G. plant in Kapfenberg, Styria; this plant has already submitted 15 different pipehead samples including 2", 3", 3 1/2", 4" and 6 5/8" sizes.
3. From 29 August to 5 September 1949, the SMV Purchasing Office made cash payments for the following purchases:

<u>Firm</u>	<u>Item Purchased</u>	<u>Payments in Schillings</u>
Donau-Chemie	Sulphuric acid and fuming sulphuric acid	168,225.00
Brucker Zuckerfabrik, Clemens Auer	Pipes	25,252.50
Teudloff-Vamag	Soft flanges	10,550.000
Hirtenberger Patronenfabrik	Miscellaneous items	31,118.000

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_____ Eisenwaren- handel	Windlasses	18,418.00
Boehler Gebr. & Co. A.G.	Unalloyed steel for electrical construction (Unlegierte Elektrische Baustahle)	4,652.58
Schoeller-Bleckmann	Hängedeckensteine (sic)	2,671.49
Eduard Kosteinscheck	Ball bearings of Swiss origin	11,813.51
Pollak*****	Girders	171.00
Kellner & Kunz	Screw nuts	1,041.60
AEG-Union	Starting switches and motors	10,836.00
Jakob Hoffmann, Bau- u. Eisenkonstruktion	Hemp rope	390.00
Bela Frank Flanschenfabrik	Flanges	2,226.00
_____	Hydrochloric acid soda	3,924.75
_____	Soda	3,700.00
_____	Pulley ropes	180,200.00
Montanwerke Brixlegg G.m.b.H.	Heavy barite	3,900.00
"Canada" Tiefbohrgeräte und Maschinenfabrik G.m.b.H.	Double nipples for pumps	1,850.00
Wilhelm Neuber A.G.	Acetone	225.00
K. J. Baldauf	Building materials	30,994.50
"Ariadne" Draht- u. Kabelwerke A.G.	Wire	1,630.40
USIA	Sheet metal	717.88
Wiener Kabel- und Metallwerke A.G.	Lacquered wire and underground cable	30,440.80
Siemens-Schuckert A.G.	Repair work on an electric motor	1,364.00
Juschweschtrans	Transport charges	36.80
Schaeffer & Budenberg G.m.b.H.	25 Manometers	1,320.00

4.
Shipments received from the USSR

4. Recently, Juschweschtrans delivered five crates of machine parts, weighing a total of 2,250 kilograms, which had been shipped from the Soviet Union, to the SMV warehouse in Dobermannsdorf.

Allocation of Sulfuric Acid

5. Allocations of sulfuric acid for the month of September 1949 are as follows: five tank cars containing 75 tons to the Nova-Schwechat refinery for the manufacture of heavy oil for the Soviet Zone of Austria; 15 tons of sulfuric acid and 15 tons of fuming sulfuric acid to the Shell refinery in Floridsdorf; and 30 tons of sulfuric acid and 15 tons of fuming sulfuric acid to the Kledering refinery for the manufacture of aviation oil.***** SMV allocation of sulfuric acid to the Moosbierbaum refinery has been reduced from 100 to 10 tons, within the next two years.

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refinery is scheduled to receive only one tank car; the "Okeros" refinery 30 tons; and the Voesendorf refinery, which at one time received 75 tons, 45 tons.

SMV Contribution to Austrian Communist Party Election Campaign.

6. The Central Committee of the Austrian Communist Party has obtained permission from KASURA, Director of the SMV Purchasing Office, to remove and sell an unused pipe line from Nova-Schwechat for the purpose of acquiring funds for the Party election campaign. The Party is to handle the dismantling work; the Soviets will repurchase the pipe; and proceeds from the sale are to be divided equally between the SMV and the Party. On 1 October 1949, SMV as well as USIA enterprises will loan motor vehicles without charge to the KPOs for electioneering purposes. The SMV Purchasing Office on Schottengasse will provide a Steyr 370 truck equipped with temporary Vienna license plates. KASURA, Director of the SMV office, has warned DIWALD, KPO, Sektionsleiter, that Soviet assistance to the Austrian Communist Party campaign must be kept strictly secret from the other Occupying Powers.

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